UNITED NATIONS

TRUSTEESHIP COUNCIL

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PETITIONS CONCERNING THE TRUST TERRITORY OF THE PACIFIC ISLANDS
(T/PET.10/187 and 188)

Observations of the Government of the United States of America as Administering Authority

Petitions T/PET.10/187 and T/PET.10/188 requested the Trusteeship Council to express to the President of the United States concern over the Civil Aeronautics Board (CAB) recommendation that Texas International Airlines be permitted to acquire control of Continental Airlines. The petitioners maintained that control by Texas International Airlines would have a deleterious effect on the operation of Air Micronesia and would lead to curtailment of essential air service to and within the Trust Territory and other neighbouring areas.

The President determined on 12 October 1981 not to disapprove the decision of CAB but in so doing he reaffirmed the commitment of the United States to the economic development of the Trust Territory islands and recognized the importance of commercial air service to that development.

The CAB decision approving the acquisition included safeguards designed to prevent unilateral reduction of air service to these islands. Consistent with the Board's action and sharing its concern, the President encouraged efforts by the interested executive departments to develop, as appropriate, additional safeguards to assure that the islands of the Trust Territory will continue to receive adequate air service.

In mid-January 1982, Continental/Air Micronesia added a third aircraft, a Boeing 727, to the operations of its fleet to its Micronesia fleet. This addition allows the company to add three weekly round trips between Saipan and Tokyo, five between Guam and Saipan and one additional flight between Guam and Honolulu, via Truk, Ponape, Kwajalein and Majuro. The company also asked CAB for permission to operate four weekly flights between Tokyo and Guam and permission to begin twice weekly round-trip flights between Manila and Guam.

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